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Scale of assessments for the apportionment of the expenses of the United Nations

Letter dated 2 November 2006 from the Permanent Representative of Slovenia to the United Nations addressed to the Secretary-General

I am writing to you on behalf of the successor States of the Socialist Federal Republic of Yugoslavia which have decided to present the attached proposal for resolution of the issue of the unpaid assessed contributions of the former Yugoslavia (see annex). As we have already stated in our letters so far, the successor States consider that the report of the Secretary-General (A/60/140) does not present the correct analysis of the issue and the assessment of the unpaid contributions. However, we took note of the proposals contained in the above-mentioned report and, in the spirit of resolving the issue in a constructive and timely manner, propose to accept settlement along the lines of the principles put forward by the representative of Ghana at a meeting of the Fifth Committee in 2002.

With the intention of clarifying all the outstanding issues we, the Permanent Representatives of the successor States, which are all new Member States committed to United Nations principles and norms, have extensively discussed this issue, including with our financial experts and with officials of the Department of Management (i.e., the Under-Secretary-General, Controller and Chief of the Contributions Service) and of the Office of Legal Affairs. Our detailed review of the documentation pertaining to the issue of the unpaid assessed contributions of the former Yugoslavia, as made available by the Secretariat, proved that our previously expressed disagreement (i.e., the letters addressed to the Under-Secretary-General, Department of Management, dated 9 August 2005, and to the Secretary-General, dated 13 March 2006) with the report of the Secretary General (A/60/140) was well founded and needed.

It is the firm commitment of the successor States to seek and find a final solution with regard to the amount of the unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia to the United Nations. The attached detailed proposal, drafted after our having reviewed the available documents submitted by the Secretariat, provides a calculation of the undisputable amount of

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the unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia, based on the principles referred to above.

I would like to request that the Secretary-General circulate the present letter and its annex as a document of the Fifth Committee for discussion on the issue of the unpaid assessed contribution of the Socialist Federal Republic of Yugoslavia, under agenda item 122.

(*Signed*) Roman **Kirn**
Permanent Representative of the Republic of Slovenia
to the United Nations

06-60379

Annex to the letter dated 2 November 2006 from the Permanent Representative of Slovenia to the United Nations addressed to the Secretary-General

Proposal of the successor States of the Socialist Federal Republic of Yugoslavia for resolution of the issue of unpaid assessed contributions of the former Yugoslavia[1]

Summary

The successor states of the Socialist Federal Republic of Yugoslavia urge the UN member states to resolve the issue of unpaid assessed contributions based on the common position of the successor states according to the principles of general international law and today known facts that are the following:

- During 1991-1992, the Socialist Federal Republic of Yugoslavia, which was a founding member of the United Nations in 1945, underwent a process of dissolution and ceased to exist. (SC/RES/777/92 and UNGA/RES/47/1/92);
- It is known that on the following dates the successor states proclaimed their independence or proclaimed their new state: that is, for Slovenia: 25 June 1991; Macedonia: 17 September 1991; Croatia: 8 October 1991; Bosnia and Herzegovina: 6 March 1992; Federal Republic of Yugoslavia (Serbia and Montenegro): 27 April 1992;
- After the extensive review of all pertaining financial documentation to the account of SFRY the accurate unpaid assessed contributions amount to $784,545;
- Each of the successor states commit itself to remit the equitable proportion of the amount of the outstanding contributions of the SFRY in accordance with the proportions set forth and as agreed in the Agreement on Succession Issues (Vienna, 29 June 2001);
- Outstanding amount that exceeds the amount that could be considered outstanding by the successor states should be reversed in the books and records of the UN;
- The above resolution of the issue of unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia would represent the final solution of this issue.

I. Introduction

1. During 1991-1992, the Socialist Federal Republic of Yugoslavia, which was a founding member of the United Nations in 1945, underwent a process of dissolution and five new successor states came into existence, subsequently all new members of United Nations. None of them is a successor to the seat of the SFRY at United Nations. Let us recall that this was noted also by the relevant organs of the United Nations with the following resolutions:

- The Security Council in its resolution 757 (1992) of 30 May 1992, imposed economic and diplomatic sanctions upon Federal Republic of Yugoslavia (FRY). Among others, Security Council noted that the claim by the Federal Republic of Yugoslavia (Serbia and Montenegro) to continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in the United Nations has not been generally accepted.

- The Security Council in its resolution 777 (1992) of 19 September 1992, considered that the state formerly known as the Socialist Federal Republic of Yugoslavia has ceased to exist and that the Federal Republic of Yugoslavia (later Serbia and Montenegro) could not continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in the United Nations. It therefore recommended to the General Assembly that it decide that the Federal Republic of Yugoslavia (Serbia and Montenegro) should apply for membership in the United Nations and that it should not participate in the work of the Assembly.

[1] The term former Yugoslavia refers to the former Socialist Federal Republic of Yugoslavia.

- The General Assembly in its resolution 47/1 of 22 September 1992, followed the recommendations of the Security Council and considered that the Federal Republic of Yugoslavia (Serbia and Montenegro) could not continue automatically the membership of the former Socialist Federal Republic of Yugoslavia in the United Nations. It therefore decided that the Federal Republic of Yugoslavia (Serbia and Montenegro) should apply for membership in the United Nations and that it should not participate in the work of the Assembly.

- The Security Council in its resolution 821 (1993) of 28 April 1993, *inter alia*, recommended to the Assembly that it decide that the Federal Republic of Yugoslavia (Serbia and Montenegro) should not participate in the work of the Economic and Social Council. In its resolution 47/229 of 29 April 1993, the Assembly, *inter alia*, decided that the Federal Republic of Yugoslavia (Serbia and Montenegro) should not participate in the work of the Economic and Social Council.

2. The Assembly did not, however, take any action to formally terminate the membership of the former Yugoslavia in the United Nations at that time. It continued to include the former Yugoslavia in the scales of assessments that it adopted for the periods 1992-1994, 1995-1997 and 1998-2000, based on unique calculations of assessment where national income/gross national product data for Serbia and Montenegro was not taken into consideration, as the only criteria. Namely, as other successor states to the former Yugoslavia were admitted to the United Nations as new member states during the scale of assessment period 1992-1994 their initial rates of assessment were deducted from the rate of assessment initially assigned to former Yugoslavia for 1992-1994. Their assessments in their respective years of admission and subsequent payments were deducted from the assessment of the former Yugoslavia in those years.

3. From 27 April 1992, when the Federal Republic of Yugoslavia (renamed to Serbia and Montenegro in February 2003) came into existence, until 27 October 2000, when its President submitted to the Secretary-General an application for the admission of the Federal Republic of Yugoslavia to membership in the United Nations as a new member state, the Government of the Federal Republic of Yugoslavia claimed the right to continue the membership of the Socialist Federal Republic of Yugoslavia in the United Nations. However, such claim was never recognized by United Nations or its bodies and was repeatedly denied by the UN and opposed by other successor states of former Yugoslavia. Hence, it was wrongful for the UN to continue to make assessments for the former Yugoslavia, state that no longer existed.

4. The General Assembly in its resolution 55/12 of 1 November 2000, decided to admit the Federal Republic of Yugoslavia to membership in the United Nations. This resolution confirmed the Security Council resolution 777 (1992) by which FRY was not granted automatic succession to the membership of former Socialist Federal Republic of Yugoslavia at United Nations.

5. The position of the successor states to the former Yugoslavia was set out in letters from their permanent representatives to the Under-Secretary-General for Management, dated 7 September 2001, 19 November 2001 and 9 August 2005, to the Chairman of the Committee on Contributions, dated 29 May 2002, and to the Secretary-General, dated 13 March 2006. These letters are contained in enclosures 1 to 5 of the present proposal.

6. It should be noted that on 2 June 2004 the Agreement on Succession Issues among the five successor states of the Socialist Federal Republic of Yugoslavia entered into force.

7. Montenegro became an independent state by the Declaration of Independence adopted by the National Assembly of Montenegro on 3 June 2006. Membership of the State Union Serbia and Montenegro in the United Nations, including all organs and organizations of the United Nations system, is continued by the Republic of Serbia on the basis of Article 60 of the Constitutional Charter of Serbia and Montenegro. Montenegro was admitted to the United Nations as a new member state on 28 June 2006.

II. Treatment of the unpaid assessed contributions of the former Yugoslavia

8. As indicated in the Secretary-General's Report A/60/140, on 1 November 2000 the former Yugoslavia had in the books and records of the United Nations outstanding assessed contributions totaling $16,226,613, a credit of $1,846 in the special account for the United Nations Transition Assistance Group (UNTAG) and an advance of $26,000 to the Working Capital Fund for 2000-2001. In addition, as it was considered to be a member state when the Peacekeeping Reserve Fund was established,[7] the former Yugoslavia may be said to have had a claim to a share in the Fund, although that would have practical significance only if and when the Assembly were to dispose of the assets of the Fund.

9. As per books and records of the United Nations no further assessments have been issued for the former Yugoslavia since 1 November 2000. The Assembly has, however, authorized the allocation of credits in respect of the unencumbered balances of a number of peacekeeping accounts for prior periods, for which assessments had been issued for the former Yugoslavia. Its share of these credits currently totals a net $126,641. Application of this amount brought to $16,135,838 the total amount of outstanding assessed contributions for the former Yugoslavia. The advance to the Working Capital Fund of $26,000 is still outstanding and the credit in the special account for UNTAG is now $37,712.

10. We, the successor states, would like to stress that there is no "common" or recognized date when Socialist Federal Republic of Yugoslavia (SFRY) ceased to exist, as dissolution was a continuing process. The former republics proclaimed their respective independences on different dates. Therefore, it is clearly not possible to look for settlement of former Yugoslavia outstanding assessed contributions for the period of assessment after the dissolution of the SFRY.

11. As we have repeatedly stated, it is necessary to make a distinction between the outstanding contributions to the account of the former Yugoslavia before and after the dissolution of the Socialist Federal Republic of Yugoslavia.

12. In accordance with the rules of general international law regarding the succession of States in respect of State debts, the United Nations should decide that the successor States of the Socialist Federal Republic of Yugoslavia are responsible only for payment of that part of the debts of the former Yugoslavia that occurred to its charge prior to the dissolution of the Socialist Federal Republic of Yugoslavia.

13. As regards that part of the arrears of the former Yugoslavia that occurred to its charge subsequent to the dissolution of the Socialist Federal Republic of Yugoslavia, those debts should not be attributed to any of the successor states.

14. As the dissolution of the Socialist Federal Republic of Yugoslavia did not take place all at one instant, but as a process of gradual disintegration that took place over a period of time each successor state agrees for its equitable proportion of the former Yugoslavia's unpaid assessed contributions that were due and payable on the date of its succession to the Socialist Federal Republic of Yugoslavia. The balance would remain the responsibility of the former Yugoslavia and would then fall to be apportioned between it and the next successor state to have succeeded to the Socialist Federal Republic of Yugoslavia, together with subsequent assessments that became due and payable by the date of its succession and so on. All the credits and payments to the benefit of the accounts of former Yugoslavia, prior and post dissolution should be considered as reduction of the oldest outstanding arrears of the former Yugoslavia in accordance with the financial rules and regulations of the United Nations.

15. The accounts of the United Nations currently reflect application to the assessments, payments and credits of the former Yugoslavia of the financial regulations and rules of the United Nations, including regulation 3.5. Accordingly, payments and credits for each account have been applied to contributions due in the order in which they were assessed, regardless of whether they were received before or after the respective dates of succession. Were the

[7] General Assembly resolution 47/217 of 23 December 1992.

approach outlined above to be taken, however, some accounting adjustments would be necessary in the process of allocation of outstanding assessed contributions and credits.

16. According to the rules of general international law concerning the succession of states, the proportion of the debt of a predecessor state that passes to a successor state is an equitable proportion of that debt that existed to the charge of the predecessor state at the date on which the succession of states between the predecessor state and the successor state took place. The dates of succession of the successor states are therefore an important factor for the Assembly to take into account if it chooses to consider making any claims on the successor states in this regard. In this case, the dates on which the successions of states took place between the Socialist Federal Republic of Yugoslavia and each of its successor states are the dates on which those successor states came into existence. For this purpose the Assembly should calculate the assessments taking into consideration the following dates of which the successor states themselves have notified Secretary-General:[3]

Slovenia: 25 June 1991
Macedonia: 17 September 1991
Croatia: 8 October 1991
Bosnia and Herzegovina: 6 March 1992
Serbia and Montenegro: 27 April 1992 (formerly the Federal Republic of Yugoslavia)

17. As regards the calculation of the accurate amount of unpaid assessed contributions of the SFRY, the Assembly should use the relative shares in accordance with proportions set forth in Article 5(2) Annex C to the Agreement on Succession Issues, which was signed by the five successor States on 29 June 2001 and which entered into force on 2 June 2004. The agreement fixes the proportions for the successor States in respect of the external debts of the Socialist Federal Republic of Yugoslavia.

18. The resolution of the issue of unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia would represent the final solution of this issue, applicable only for the purposes of the unpaid assessed contributions of the former Socialist Federal Republic of Yugoslavia to the United Nations, and without prejudice to any other related decisions and issues.

III. Proposal by the representative of Ghana

19. The successor states carefully studied the proposal put forward by the representative of Ghana at the Fifth Committee session held on 14 October 2002 and would like to refer to it in its entirety and for the purpose of clarity quote the official records of the session[4]: "The representative of Ghana (Mr. Agyeman) pointed out that clear directions were needed so that the Secretariat could settle that issue definitively. General Assembly resolutions 47/1 and 47/229 affirmed that the Federal Republic of Yugoslavia (Serbia and Montenegro) could not continue automatically the membership of the Socialist Federal Republic of Yugoslavia, but they were the result of a political compromise and contained many legal contradictions. Although the resolutions stated that the Socialist Federal Republic of Yugoslavia was no longer a member of the United Nations, the General Assembly had continued to endorse rates of assessment for that State for the periods 1995-1997 and 1998-2000 based on data obtained solely from the Federal Republic of Yugoslavia (Serbia and Montenegro). Furthermore, the opinion of the Legal Counsel, in particular regarding the principle of estoppel in the context of attempts by the Federal Republic of Yugoslavia to exercise the rights of the former Yugoslavia at the international level, was not wholly satisfactory, given that the decisions of the General Assembly proscribed the Federal Republic of Yugoslavia from participating in the General Assembly and the Economic and Social Council and from exercising rights in the name of the former Yugoslavia. It was evidently not well-advised either to link the loss of membership of the former Yugoslavia to the admission of the Federal Republic of Yugoslavia into the Organization."

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[3] These dates are to be distinguished from the dates on which the successor States were admitted to membership in the United Nations. Those latter dates are necessarily subsequent to those on which those States each acquired statehood under international law. The dates on which the successor States of the Socialist Federal Republic of Yugoslavia were admitted to membership in the United Nations are as follows: Bosnia and Herzegovina 22 May 1992; Croatia 22 May 1992; Slovenia 22 May 1992; Macedonia 8 April 1993; Serbia and Montenegro (formerly the Federal Republic of Yugoslavia) 1 November 2000; Montenegro 28 June 2006.

[4] See official records of Fifty-seventh session of the General Assembly (A/C.5/57/SR.7).

20. Furthermore the representative of Ghana pointed out that "the letters from the permanent missions of the five successor states made it clear that the states that had constituted the former Yugoslavia were indeed successor states and that what had occurred was a dissolution and succession, not a secession. The focus should therefore be on the predissolution arrears and the solution adopted must not produce unintended legal effects. Delegation of Ghana recommended that the Secretariat should calculate the arrears of the former Yugoslavia up to 25 June 1991, the date on which Slovenia had announced that it had ceased to exist as part of the former Yugoslavia, as well as the amounts outstanding as of 17 September 1991, 8 October 1991, 6 March 1992 and 27 April 1992, the dates on which Bosnia and Herzegovina, Croatia, the Federal Republic of Yugoslavia and Macedonia, respectively, had informed the Secretary-General that they had ceased to exist as part of the former Yugoslavia, without prejudice to the recommendations of the Arbitration Commission chaired by Mr. Badinter and advised by Lord Carrington. Based on the amounts determined through that process, the Secretariat would request the five successor states to pay the arrears of the former Yugoslavia taking into account the above dates and, where appropriate, the agreement which they had signed on 29 June 2001 to apportion among themselves the arrears of the former Yugoslavia. The arrears for the period from 27 April 1992, the date on which the last successor state to the former Yugoslavia had established its separate identity, up to 1 November 2001, should be written off."

21. Taking into account the above criteria put forward by the representative of Ghana the Secretariat made its own interpretation and calculation of the amount outstanding ($8,009,454) to the account of the SFRY. The firm position of the successor states however is that the amount calculated by the Secretariat does not reflect all today known facts and is inaccurate and therefore unacceptable for the successor states.

IV. Amount of the unpaid assessed contributions of SFRY

22. After extensive review of all presented financial documentation and having in mind the proposals set out in the Secretary General's report, the successor states present the following principles for the calculation of the amount of the unpaid assessed contributions of the SFRY to the United Nations.

23. The successor states in the informal consultations with member states and the Secretariat during sixtieth General Assembly session expressed their position that, as a way to resolve the issue, they stand ready to remit the undisputable amount of the unpaid assessed contributions of the SFRY according to the principles of the proposal that was made by the representative of Ghana at the Fifth Committee during the General Assembly's fifty-seventh session in 2002. Accordingly the five successor states would remit the arrears of SFRY up to 27 April 1992 in accordance with the proportions set forth in Article 5/2 Annex C to the Agreement on Succession Issues (Vienna, 29 June 2001). All the outstanding assessed contributions to the account of the former Yugoslavia (SFRY) to the Regular Budget and Peace Keeping Operations, assessed after 27 April 1992 should be reversed in the books and records of the UN. In addition, this would require the adjustments for the year 1992 to 4/12 of former Yugoslavia's yearly assessment as the SFRY ceased to exist. Successor states have been individually assessed when admitted to the United Nations as new member states, starting from May 1992 onwards. Therefore it is unacceptable for the successor states to be assessed twice for the same years and for the non-existing state.

24. In accordance with the successor states' understanding of the proposal by the representative of Ghana, the following steps should be applied. The amounts outstanding as at 25 June 1991 were to be divided between Slovenia and the former Yugoslavia - 16% to Slovenia and the balance of 84% to the former Yugoslavia. The amounts outstanding for the former Yugoslavia as at 17 September 1991, that is, the balance as at 25 June 1991 plus any additional assessments in the meantime, were divided between Macedonia and the former Yugoslavia - slightly over 8,9% (that is, 7.5 divided by 84, times 100) to Macedonia and the balance of slightly over 91% to the former Yugoslavia. The amounts outstanding for the former Yugoslavia as at 8 October 1991, that is, the balance as at 17 September 1991 plus any additional assessments arising in the meantime, were divided between Croatia and the former Yugoslavia - slightly over 30% (that is, 23 divided by 76.5, times 100) to Croatia and the balance of almost 70% to former Yugoslavia. The amounts outstanding for the former Yugoslavia as at 6 March 1992, that is, the balance as at 8 October 1991 plus any additional assessments arising in the meantime, were to be divided between Bosnia and Herzegovina and the former Yugoslavia - almost 29% to Bosnia and Herzegovina and the balance of slightly more than 71% to the former Yugoslavia. The amounts outstanding for the former Yugoslavia as at 27 April

1992, that is, the balance as at 6 March 1992 plus any additional assessments arising in meantime, were to be assigned to Federal Republic of Yugoslavia (Serbia and Montenegro). Payments and/or credits arising after the respective dates when the individual successor States ceased to exist as part of former Yugoslavia would have to be applied, in accordance with the UN accounting rules and regulations, to the oldest amounts outstanding for the former Yugoslavia.

25. Taking into consideration all of the above, and according to the documentation provided by the Secretariat, an amount of $784,545 is considered by the successor states to be outstanding to the account of SFRY, as indicated in the table in enclosure 6, and might be considered payable by the five successor states. Accordingly, the exceeding amount outstanding to the account of former Yugoslavia should be reversed.

V. Proposal of the successor states

26. The successor states propose for consideration by the General Assembly the following resolution of the issue of unpaid assessed contributions of the SFRY:

(a) The successor states acknowledge that according to the documentation provided by the Secretariat the unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia amount to $784,545;

(b) Each of the successor states commit itself to remit the equitable portion of above amount in accordance with the proportions set forth in Article 5/2 Annex C to the Agreement on Succession Issues (Vienna, 29 June 2001) and taking into consideration relevant dates for each successor state: that is, for Slovenia: 25 June 1991; Macedonia: 17 September 1991; Croatia: 8 October 1991; Bosnia and Herzegovina: 6 March 1992; Federal Republic of Yugoslavia (Serbia and Montenegro): 27 April 1992;

(c) The successor states request the Assembly to authorize Secretary-General to reverse and adjust accordingly in the books and records of the United Nations all the outstanding assessed contributions to the account of the former Yugoslavia (SFRY) to the Regular Budget and the Budget of Peace Keeping Operations, assessed after 27 April;

(d) The above resolution of the issue of unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia would represent the final solution of this issue, applicable only for the purposes of the unpaid assessed contributions of the former Socialist Federal Republic of Yugoslavia to the United Nations, and without prejudice to any other related decisions and issues.

Enclosure I

Letter dated 7 September 2001 from the Permanent Representatives of Bosnia and Herzegovina, Croatia, Slovenia, the former Yugoslav Republic of Macedonia and Yugoslavia, addressed to the Under-Secretary-General for Management

Upon instructions from our Governments, we are answering your letter of 27 July 2001 and conveying to you our joint position concerning the outstanding assessed contributions of the former Socialist Federal Republic of Yugoslavia. As confirmed by relevant Security Council and General Assembly resolutions, the State known as the Socialist Federal Republic of Yugoslavia has ceased to exist and has been succeeded by five equal successor States, which have been admitted as new States Members of the United Nations. Since their admission to the United Nations,

the new States have been assessed for the contributions and have duly paid them. In the past, some successor States already indicated in their official statements that there is no basis for the assessment of a contribution for a State which has ceased to exist. Therefore, all five successor States, which are States Members of the United Nations and pay their assessed contributions, believe that these arrears should be written off.

(*Signed*) Husein **Šivalj**
Permanent Representative of
Bosnia and Herzegovina to the United Nations

(*Signed*) Ivan **Šimonović**
Permanent Representative of the
Republic of Croatia to the United Nations

(*Signed*) Srgjan **Kerim**
Permanent Representative of the
Republic of Macedonia to the United Nations

(*Signed*) Ernest **Petrič**
Permanent Representative of the
Republic of Slovenia to the United Nations

(*Signed*) Dejan **Šahović**
Permanent Representative of
Federal Republic of Yugoslavia to the United Nations

Enclosure 2

Letter dated 19 November 2001 from the Permanent Representatives of Bosnia and Herzegovina, Croatia, Slovenia, the former Yugoslav Republic of Macedonia and Yugoslavia, addressed to the Under-Secretary-General for Management

Following our letter of 7 September 2001 and upon instructions from our Governments, we would like once again to convey to you our joint position regarding the outstanding assessed contributions of the former Socialist Federal Republic of Yugoslavia. The State known as Socialist Federal Republic of Yugoslavia has ceased to exist and was succeeded by five equal successor States, none of which continued its legal personality. This fact was confirmed in relevant Security Council and General Assembly resolutions of 1992. Although a dissolved State, which evidently no longer existed, should have ceased to be a member of the United Nations ipso facto, Socialist Federal Republic of Yugoslavia continued to be assessed for the contributions. The dissolution of the former Socialist Federal Republic of Yugoslavia was a continuing process. The exact date when the successor States became independent is different for each of them and no precise date of the dissolution can be determined. This situation should have been appropriately reflected in the decisions of the United Nations, including those regarding the assessment of contributions. All five successor States were admitted as new Member States to the United Nations and have since paid their assessed contributions. The dissolution of the former Socialist Federal Republic of Yugoslavia was unique and indeed no identical precedent existed before. All the previous cases (for example the break-up of the former Union of Soviet Socialist Republics or Czechoslovakia) were different and so the legal consequences were different and it is quite unlikely the same situation could occur again. However, if a similar situation occurs, the United Nations should find a way to address it in an appropriate manner.

Keeping the Socialist Federal Republic of Yugoslavia, the dissolved State, on the list of the scale of assessments was a misleading approach, which should bear no legal consequences on other Member States. Therefore, all five successor States, after having carefully considered the suggestions presented in your letter of 27 July 2001, wish to reiterate their joint position that the contributions assessed to the former Socialist Federal Republic of Yugoslavia should be written off.

(Signed) Mirza **Kusljugić**
Permanent Representative of
Bosnia and Herzegovina to the United Nations

(Signed) Ivan **Šimonović**
Permanent Representative of the Republic of Croatia to the United Nations

(Signed) Srgjan **Kerim**
Permanent Representative of the
Republic of Macedonia to the United Nations

(Signed) Ernest **Petrič**
Permanent Representative of the
Republic of Slovenia to the United Nations

(Signed) Dejan **Šahović**
Permanent Representative of
Federal Republic of Yugoslavia to the United Nations

Enclosure 3

Letter dated 29 May 2002 from the Permanent Representatives of Bosnia and Herzegovina, Croatia, Slovenia, the former Yugoslav Republic of Macedonia and the Federal Republic of Yugoslavia to the United Nations addressed to the Chairman of the Committee on Contributions

We are writing to you in your capacity as a Chairman of the Committee on Contributions regarding the issue of the arrears of the former Yugoslavia, which is going to be on the agenda of the session of the Committee this June. Upon instructions from our Governments, we would like once again to convey to you our joint position regarding the outstanding assessed contributions of the former Socialist Federal Republic of Yugoslavia.

The State known as the Socialist Federal Republic of Yugoslavia has ceased to exist and was succeeded by five equal successor States, none of which continued its legal personality. This fact was confirmed by the relevant Security Council and General Assembly resolutions of 1992. Although a dissolved State, which evidently no longer existed, should have ceased to be a Member of the United Nations ipso facto, the Socialist Federal Republic of Yugoslavia continued to be assessed for the contributions.

The dissolution of the former Socialist Federal Republic of Yugoslavia was a continuing process. The exact date when the successor States became independent is different for each of them, and no precise date of the dissolution can be determined. This situation should have been appropriately reflected in the decisions of the United Nations, including those regarding the assessment of contributions. All five successor States were admitted to the United Nations as new Member States and have since then paid their assessed contributions.

The dissolution of the former Socialist Federal Republic of Yugoslavia was unique, and, indeed, no identical precedent existed. All the previous cases (for example, the break-up of the former Union of Soviet Socialist Republics and Czechoslovakia) were different, and thus the legal consequences were different, and it is quite unlikely the same situation could occur again. However, if a similar situation occurs, the United Nations should find a way to address it in an appropriate manner.

Keeping the Socialist Federal Republic of Yugoslavia, the dissolved State, on the list of the scale of assessments was a misleading approach, which should bear no legal consequences for other Member States. Therefore, all five successor States wish to reiterate once again their joint position that the contributions assessed to the former Socialist Federal Republic of Yugoslavia should be written off.

(Signed) Mirza **Kusljugic**
Permanent Representative of
Bosnia and Herzegovina to the United Nations

(Signed) Ivan **Šimonović**
Permanent Representative of the Republic of Croatia to the United Nations

(Signed) Srgjan **Kerim**
Permanent Representative of the
Republic of Macedonia to the United Nations

(Signed) Ernest **Petrič**
Permanent Representative of the
Republic of Slovenia to the United Nations

(Signed) Dejan **Šahović**
Permanent Representative of Federal Republic of Yugoslavia the United Nations

Enclosure 4

Letter dated 9 August 2005 from the Permanent Representative of the former Yugoslav Republic of Macedonia and the Chargés d.affaires a.i. of Bosnia and Herzegovina, Croatia, Serbia and Montenegro, and Slovenia addressed to the Under-Secretary-General for Management

We are writing to you regarding the report of the Secretary-General on the unpaid assessed contributions of the former Yugoslavia, which was transmitted to us by the letter signed by Rosemary McCreery, Officer-in-Charge, Department of Management, dated 24 May 2005, and our letter to you of 29 July 2005.

The five successor States of the Socialist Federal Republic of Yugoslavia (Bosnia and Herzegovina, Republic of Croatia, Republic of Macedonia, Serbia and Montenegro, and Republic of Slovenia) consider the report of the Secretary-General on the unpaid assessed contributions of the former Yugoslavia as a basis upon which to reach an acceptable agreement on the settlement of arrears of the former Socialist Federal Republic of Yugoslavia to the United Nations. The successor States highly appreciate the readiness of the Secretariat to cooperate closely with them regarding the above issue and to take into account discussions held and written replies given by the successor States so far.

For the sake of clarifying the information distributed to the United Nations Member States that are going to discuss this issue during the General Assembly session, we call on the Secretariat to include in its report our proposals given below. We require that the term "Socialist Federal Republic of Yugoslavia" be used in the report instead of "former Yugoslavia" (paras. 5-10, 12-22, 25, 28-34 and 37). The Federal Republic of Yugoslavia that came into existence, on 27 April 1992 became a United Nations Member not earlier than 1 November 2000; the State is presently known as Serbia and Montenegro.

In addition, we would like to draw attention to the fact that the Security Council, in its resolution 777 (1992), stated that the state formerly known as the Socialist Federal Republic of Yugoslavia had ceased to exist. We believe that this is an important part of the resolution and that it should be included in paragraph 2 of the Secretary-General's report.

We also believe that the unauthorized participation of the Federal Republic of Yugoslavia in United Nations sessions cannot be the basis for assessed contributions to be paid by the former Socialist Federal Republic of Yugoslavia. In addition, we propose to insert (in paragraph 7 of the report) a short reference to the fact that the said attempts to participate were consistently challenged by a number of Member States, in particular by other successor states of the Socialist Federal Republic of Yugoslavia.

Inconsistency in using the name of the State is also seen in paragraph 15 where, in accordance with Security Council resolution 777 (1992) the wording "Former Yugoslavia" has to be replaced by the accurate name, Socialist Federal Republic of Yugoslavia. Consequently, the date 1 November 2000, referred to in paragraph 15, is incorrect. The first sentence of paragraph 15 should read as follows: "As noted above, during 1991-1992 the Socialist Federal Republic of Yugoslavia underwent a process of dissolution and ceased to exist".

In paragraph 8, the second sentence should be redrafted to read as follows: "On the basis of that decision the Socialist Federal Republic of Yugoslavia has necessarily and automatically ceased to be listed as a Member State". It should be clear from the report that prior to that date, the former Socialist Federal Republic of Yugoslavia was listed as a Member State, although it was clear from resolution 777 (1992) that it had ceased to exist. In the first sentence of paragraph 13, the wording "when it ceased to be a Member State" should be deleted.

We believe that inclusion of these elements in the report is of crucial importance for Assembly deliberation on the question of unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia. Therefore we kindly ask you to redraft the report of the Secretary-General on the unpaid assessed contributions of the Former Yugoslavia as of 24 May 2005 in accordance with our above suggestions. As noted in the report, the common position of the five

successor States on this issue has been that the unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia should be written off. The issue will further be discussed at the meeting of the Committee of High Representatives of the five successor States, which was established under the Agreement on Succession Issues among the five successor States, and which will take place in late September when the report will be closely examined. We would highly appreciate if you could include this information in the report.

The five successor States are firmly interested in resolving the issue of the unpaid assessed contributions of the Socialist Federal Republic of Yugoslavia during the sixtieth session of the Assembly and are ready to cooperate constructively with other United Nations Members and the Secretariat. We also believe that the financial part of the report should be revisited by the experts of successor States and the Secretariat prior to the beginning of the discussion on this issue at the sixtieth session of the Assembly.

(Signed) Igor **Dzundev**
Permanent Representative of the
Republic of Macedonia to the United Nations
(Signed) Željko **Vukobratović**
Chargé d'affaires a.i. of
Bosnia and Herzegovina to the United Nations
(Signed) Ivan **Nimac**
Chargé d'affaires a.i. of the
Republic of Croatia to the United Nations
(Signed) Slavko **Kruljevic**
Chargé d'affaires a.i. of the
Republic of Serbia and Montenegro to the United Nations
(Signed) Eva **Tomič**
Chargé d'affaires a.i. of the
Republic of Slovenia to the United Nations

Enclosure 5

Letter dated 13 March 2006 from the Permanent Representatives of Bosnia and Herzegovina, Croatia, Serbia and Montenegro, Slovenia, and the former Yugoslav Republic of Macedonia addressed to the Secretary-General of the United Nations

We, the representatives of five successor states of Socialist Federal Republic of Yugoslavia (SFRY), i.e. Bosnia and Herzegovina, Republic of Croatia, Republic of Macedonia, Serbia and Montenegro and Republic of Slovenia, are writing to you regarding the Report of the Secretary-General on the Unpaid Assessed Contributions of the Former Yugoslavia (A/60/140*) dated 16 September 2005 and on the understanding from the programme of work for the first resumed session of the Fifth Committee of the 60th UN General Assembly, which started on 6 March 2006, that the respective report will remain in its present form.

May we recall that we already expressed our disagreement with certain statements in the present report that do not reflect the actual facts in our letter addressed to Mr. Christopher Burnham, Under-Secretary-General, Department of Management, dated 9 August 2005 (Annex to the report A/60/140*), as a replay to the letter from the Department he is in charge of, which called the five successor states of SFRY to present their position at that stage to the draft of the present report.

We would like to recall that at the meeting of the 5th Committee of the General Assembly on 18 October 2005 we stated that we are fully aware of the urgency to resolve the issue of the unpaid assessed contributions of SFRY and expressed our disappointment that none of our suggestions was included in the respective report when issued on the 16 September 2005.

We would further like to recall that as a follow-up of the main session of the 5th Committee of the GA we further discussed this issue on 5-10 December 2005 with the representatives from the Department of Management, i.e. Controller Mr. Warren Sach and Chief of Contribution Service Mr. Mark Gilpin and also with the representative from the Office of Legal Affairs Mr. David Hutchinson. During these talks we have agreed that certain statements in the respective report are incorrect and that the report will be revisited. However that did not happen and except the communication we had with the Chief of Contribution Service Mr. Mark Gilpin we have not received any indication from the Department of Management regarding our communication in December 2005. Only on 3 March 2006 we have received a letter from the Office of Programme Planning, Budget and Accounts, informing us that no revision of the report is required.

We consider this approach as inappropriate and unacceptable, and may cause a further delay in the resolution of this issue.

The five successor states therefore wish to reiterate our common position, presented in our letter attached as Annex IV to the present report, and ask you to duly reflect its substance in a revised report (corrigendum).

However the information on the outstanding assessed contributions of SFRY in the Annex V-IX of the respective report is not presented in substance and form that would enable the five successor states to determine and accept any undisputable debt they might have towards the Organization. With the purpose to clearly identify the undisputable amount they owe to the Organization the five successor states were further discussing this issue with responsible departments of the UN Secretariat in December 2005.

Surprisingly this communication and review of related documentation was a long and overdue process that lacked sufficient accuracy, transparency and cooperation of the respective departments of the UN Secretariat. Although this process has not been concluded yet, the five successor states came to the conclusion that the amount of the undisputed arrears of SFRY presented in the Annexes V-IX of the Secretary-Generals Report is incorrect and needs further elaboration.

Having said that, the five successor states of SFRY once again call the UN Secretariat to submit without any further delay to the successor states of SFRY and to the other UN member states the revised report on the unpaid assessed contributions of SFRY in accordance with generally accepted accounting principles, and taking into account the views of the five successor states expressed in their letter dated 9 August 2005.

We would like to stress that the essential element in resolving the issue of arrears of SFRY is the exact ascertainment of the amount of the unpaid assessed contributions of the SFRY, taking into account all the pertaining subsequent payments and credits to account of "former Yugoslavia" (SFRY).

In particular the five successor states of SFRY are requesting the UN Secretariat to:

- Submit without any further delay to the successor states of SFRY all data and documentation pertaining to the outstanding unpaid assessed contributions of Socialist Federal Republic of Yugoslavia on the 31 December 1990 and from that date up to 27 April 1992 taking into account all the payments made by SFRY before, and FRY after 27 April 1992 and credited to the account of "former Yugoslavia" (separate for Regular Budget and Peace Keeping Operations);
- Submit a detailed report on the assessed contributions and payments exercised from the UN member states for the peace keeping operations ONUC (1960) and UNEF (1956).
- Submit a report on the assessed contributions, payments and credits for the each of the five successor states of SFRY to all UN budgets from the time they become UN member states until today.
- The Summary Reports of the above should be prepared in accordance with the generally accepted accounting principles that would enable UN member states, including five successor states of SFRY, to review it;
- In addition, all the pertaining credits made to the account of "former Yugoslavia" (SFRY) for the period from 27 April 1992 and up to now, should be applied to the pertaining outstanding balance for Regular Budget and Peace Keeping Operations of SFRY;
- A Report of SFRY share of UN PKO Reserve Fund and Working Capital Fund, their subsequent distribution among successor states and the outstanding balance as of 31 December 2005 should be prepared without undue delay in a separate document to be presented to the successor states for their review;
- The same request for disclosure and presentation should apply for any other assets that might be considered to be assets of SFRY in the books and records of UN.

The five successor States are firmly committed to resolve the issue of the SFRY's unpaid assessed contributions, if possible, during first resumed session of the Fifth Committee of the 60th UN General Assembly and are ready to cooperate constructively with other UN members and the UN Secretariat.

(Signed) **Miloš Prica**
Permanent Representative of Bosnia and Herzegovina
to the United Nations

(Signed) **Mirjana Mladineo**
Permanent Representative of the Republic of Croatia
to the United Nations

(Signed) **Igor Dzundev**
Permanent Representative of the Republic of Macedonia
to the United Nations

(Signed) **Nebojša Kaludjerović**
Permanent Representative of Serbia and Montenegro
to the United Nations

(Signed) **Roman Kirn**
Permanent Representative of the Republic of Slovenia
to the United Nations

Enclosure 6

Unpaid assessed contributions of the former Yugoslavia outstanding due and payable
(Successor states view based on Ghana proposal)

Name	UN assessment	Successors accept	Payments SFRY	UN credits	SLO	Payments MK	CRO	BiH	FRY	Saldo +/-
Regular Budget	12.986.515	10.183.832	4.762.283	180.000	517.027	136.068	746.817	229.790	2.901.697	-710.150
Total r.b.										
1.ONUC	333.269	0								0
2.UNEF	7.598	0								0
3.UNDOF	121.345	121.345	68.963	2.768	3.599	918	5.199	1.600	0	-38.298
4.UNIFIL	332.319	332.319	29.418,5	22.863	17.329	4.350	25.030	7.700	0	-225.628
5.UNIMOG	53.120	53.120	29.418,5	18.029	0	0	0	0	0	-5.673
6.UNAVEM/ MONUA	88.327	88.327	9.051	18.626	7.185	738	10.377	3.193	0	-39.157
7.UNTAG	374.092	374.092	315.253	96.549	0	0	0	0	0	+37.712
8.UNIKOM	83.812	83.812	0	4.535	5.445	1.097	7.862	2.419	0	-62.454
9.ONUCA	97.908	97.908	0	7.430	4.887	729	7.058	2.171	0	-75.633
10.ONUSAL										
11.UNAMIC	196.362	196.362	0	2.758	97.785	15.595	141.243	43.458	0	+104.477
12.UNTAC										
13.UN-PROFOR	209.958	209.958	100.000	79.277	45.703	29.015	66.015	20.312	0	+130.364
14.UNOSOM	0	0	0	2.480	16.358	20.041	23.629	7.271	0	+69.779
15.ONUMOZ	0	0	0	11.698	4.450	5.562	6.428	1.978	0	+30.116
PKO 1 Total	1.898.110	1.557.243	552.104	267.013	202.741	78.045	292.841	90.102	0	-74.395
16.MINURSO	128.000	0	0	5.528	0	0	0	0	0	0
PKO 2 Total	2.026.110			272.541	202.741	78.045	292.841	90.102	0	
TOTAL PKO	2.026.110	1.557.243	552.104	272.541	202.741	78.045	292.841	90.102	0	-74.395
TOTAL	15.012.625	11.741.075	5.314.387	452.541	719.768	214.113	1.039.658	319.892	2.901.697	-784.545